

**15G.111 Economic development fund — appropriation — allocation of fund moneys.**

1. *Fund created.* An economic development fund is created in the state treasury under the control of the economic development authority consisting of the following:

- a. The moneys appropriated to the authority pursuant to section 15G.110.
- b. Payments of interest, repayments of moneys loaned, and recaptures of grants and loans made pursuant to this chapter.
- c. All moneys accruing to the authority, including payments of interest, repayments of moneys loaned, royalty payments received, and recaptures of grants, loans, or other forms of financial assistance provided to recipients, from the authority's administration of the following preexisting programs:

- (1) The community economic betterment program established pursuant to section 15.317, Code 2009.

- (2) The entrepreneurial ventures assistance program established pursuant to section 15.339, Code 2009.

- (3) The value-added agricultural products and processes financial assistance program established pursuant to section 15E.111, Code 2009.

- (4) The physical infrastructure assistance program established pursuant to section 15E.175, Code 2009.

- (5) The loan and credit guarantee program established pursuant to section 15E.224, Code 2009.

2. *Fund administration.*

- a. The authority shall administer the fund consistent with the provisions of this chapter and with other pertinent Acts of the general assembly, including providing financial assistance awards pursuant to section 15G.112.

- b. Moneys credited to the fund are not subject to section 8.33. Notwithstanding section 12C.7, interest or earnings on moneys in the fund shall be credited to the fund. Interest or earnings on moneys in the fund are appropriated to the authority. Of the moneys appropriated to the authority pursuant to this paragraph, the authority shall make the following allocations:

- (1) For each fiscal year of the fiscal period beginning July 1, 2010, and ending June 30, 2013, the authority shall allocate not more than one hundred seventy-five thousand dollars for purposes of providing financial assistance to Iowa's councils of governments.

- (2) For each fiscal year of the fiscal period beginning July 1, 2010, and ending June 30, 2013, the authority shall allocate not more than two hundred thousand dollars for purposes of providing support and administrative assistance to the vision Iowa board, the community attraction and tourism program, and river enhancement community attraction and tourism projects.

- (3) For each fiscal year of the fiscal period beginning July 1, 2010, and ending June 30, 2013, the authority shall allocate the remaining amount of interest or earnings on moneys in the fund for purposes of providing financial assistance under the disaster recovery component of the economic development financial assistance program. All moneys allocated pursuant to this subparagraph that remain unexpended or unobligated at the end of the fiscal year beginning July 1, 2012, shall revert and be credited to the fund.

- c. Of the moneys accruing to the fund pursuant to subsection 1, paragraph "c", the authority, with the approval of the authority\*, may allocate an amount necessary to fund administrative and operations costs. An allocation pursuant to this paragraph may be made in addition to any allocations made pursuant to subsection 4, paragraph "a".

- d. Of the moneys transferred to the fund pursuant to 2009 Iowa Acts, chapter 123, section 9, the authority, with the approval of the authority\*, may allocate an amount necessary to fund administrative and operations costs. An allocation pursuant to this paragraph may be made in addition to any allocations made pursuant to subsection 4, paragraph "a".

3. *Appropriation.* For each fiscal year of the fiscal period beginning July 1, 2009, and ending June 30, 2015, there is appropriated from the fund to the economic development authority for purposes of making expenditures pursuant to this chapter fifty million dollars.

4. *Authority purposes.* Of the moneys appropriated to the authority pursuant to subsection 3, the authority shall allocate twenty-eight million five hundred thousand dollars each fiscal year as follows:

a. For administrative costs, an amount not more than six hundred thousand dollars of the moneys subject to allocation under this subsection.

b. For awards of financial assistance pursuant to section 15G.112, an amount approved by the authority.

c. For marketing proposals pursuant to section 15G.109, an amount approved by the authority.

d. For a statewide labor shed study conducted in coordination with the department of workforce development, an amount approved by the authority.

e. For responding to opportunities and threats, as described in section 15G.113, an amount approved by the authority.

f. For procuring technical assistance from either the public or private sector and for information technology purposes, an amount approved by the authority.

g. For covering existing guarantees made under the loan and credit guarantee program established pursuant to section 15E.224, Code 2009, an amount approved by the authority.

5. *Board of regents institutions.* Of the moneys appropriated to the authority pursuant to subsection 3, the authority shall allocate five million dollars each fiscal year for financial assistance to institutions of higher learning under the control of the state board of regents.

a. The financial assistance allocated pursuant to this subsection is for capacity building infrastructure in areas related to technology commercialization, for marketing and business development efforts in areas related to technology commercialization, entrepreneurship, and business growth, and for infrastructure projects and programs needed to assist in the implementation of activities under chapter 262B.

b. In allocating moneys to institutions under the control of the state board of regents, the authority shall require the institutions to provide a one-to-one match of additional moneys for the activities funded with moneys appropriated under this subsection.

c. The state board of regents shall annually prepare a report for submission to the governor, the general assembly, the authority, and the legislative services agency regarding the activities, projects, and programs funded with moneys allocated under this subsection. The report shall be provided in an electronic format and shall include a list of metrics and criteria mutually agreed to in advance by the board of regents and the authority. The metrics and criteria shall allow the governor's office, the general assembly, and the authority to quantify and evaluate the progress of the board of regents institutions with regard to their activities, projects, and programs in the areas of technology commercialization, entrepreneurship, regional development, and market research.

d. The state board of regents may disburse any moneys allocated under this subsection and received from the authority for financial assistance to a single biosciences development organization determined by the authority to possess expertise in promoting the area of bioscience entrepreneurship. The organization must be composed of representatives of both the public and the private sector and shall be composed of subunits or subcommittees in the areas of existing identified biosciences platforms, education and workforce development, commercialization, communication, policy and governance, and finance. Such financial assistance shall be used for purposes of activities related to biosciences and bioeconomy development under chapter 262B, and to accredited private universities in this state.

6. *State parks.* Of the moneys appropriated to the authority pursuant to subsection 3, the authority shall allocate one million dollars each fiscal year for purposes of providing financial assistance for projects in targeted state parks, state banner parks, and destination parks.

a. The department of natural resources shall submit a plan to the authority for the proposed expenditure of moneys received from the authority pursuant to this subsection. The plan shall focus on improving state parks, state banner parks, and destination parks for economic development purposes. The authority shall approve, deny, modify, or defer proposed expenditures under the plan. Based on the plan submitted and the action of the authority in regard to the plan, the economic development authority shall provide financial assistance to the department of natural resources for support of state parks, state banner parks, and destination parks.

b. For purposes of this subsection, "*state banner park*" means a park with multiple uses and which focuses on the economic development benefits of a community or area of the state.

7. *Cultural trust fund.* Of the moneys appropriated to the authority pursuant to subsection 3, the authority shall allocate one million dollars each fiscal year for deposit in the Iowa cultural trust fund created in section 303A.4. The board of trustees of the Iowa cultural trust shall annually prepare a report for submission to the governor, the general assembly, the authority, and the legislative services agency regarding the activities, projects, and programs funded with moneys allocated under this subsection.

8. *Community colleges.* Of the moneys appropriated to the authority pursuant to subsection 3, the authority shall allocate seven million dollars each fiscal year for deposit into the workforce training and economic development funds of the community colleges created pursuant to section 260C.18A.

9. *Regional financial assistance.* Of the moneys appropriated to the authority pursuant to subsection 3, the authority shall allocate one million dollars each fiscal year for providing economic development region financial assistance under section 15E.232, subsections 1, 3, 4, 5, and 6, and under section 15E.233, and for providing financial assistance for business accelerators pursuant to section 15E.351.

a. Of the moneys allocated in this subsection, the authority shall transfer three hundred fifty thousand dollars each fiscal year for the fiscal period beginning July 1, 2009, and ending June 30, 2015, to Iowa state university of science and technology, for purposes of providing financial assistance to establish small business development centers in areas of the state previously served by a small business development center; to develop business succession plans, and to maintain existing small business development centers. Of the three hundred fifty thousand dollars transferred each fiscal year pursuant to this paragraph, not more than one hundred thousand dollars shall be used for business succession activities. Financial assistance for a small business development center shall not exceed fifty thousand dollars per fiscal year and shall not be awarded unless the city or county where the center is located or scheduled to be located demonstrates the ability to obtain local matching moneys on a dollar-for-dollar basis for at least twenty-five percent of the cost of the center.

b. Of the moneys allocated under this subsection, the authority may use up to fifty thousand dollars each fiscal year during the fiscal period beginning July 1, 2009, and ending June 30, 2015, for purposes of providing training, materials, and assistance to Iowa business resource centers.

10. *Innovation and commercialization services.* Of the moneys appropriated to the authority pursuant to subsection 3, the authority shall allocate five million five hundred thousand dollars for deposit in the innovation and commercialization development fund created in section 15.412.

11. *Targeted small businesses.* Of the moneys appropriated to the authority pursuant to subsection 3, the authority shall allocate one million dollars for deposit in the targeted small business financial assistance program account established pursuant to section 15.247 within the strategic investment fund created in section 15.313.

2005 Acts, ch 150, §2; 2005 Acts, ch 170, §19; 2006 Acts, ch 1010, §9, 10; 2006 Acts, ch 1175, §1, 2, 23; 2006 Acts, ch 1176, §20, 29; 2007 Acts, ch 122, §2 – 4; 2008 Acts, ch 1031, §15; 2008 Acts, ch 1102, §2, 3, 5; 2008 Acts, ch 1179, §53; 2009 Acts, ch 123, §2, 33; 2009 Acts, ch 170, §3, 11; 2009 Acts, ch 184, §37; 2010 Acts, ch 1009, §3, 4; 2010 Acts, ch 1061, §89, 181; 2010 Acts, ch 1069, §5; 2010 Acts, ch 1184, §31 – 34; 2011 Acts, ch 118, §25, 85 – 87, 89; 2011 Acts, ch 133, §16, 50

[P] See annual Iowa Acts for temporary exceptions, changes, or other noncodified enactments modifying these statutory provisions

[SP] \* The phrase “with the approval of the authority” may not be intended; corrective legislation is pending

[T] See Code editor’s note on simple harmonization

[T] Code editor directives applied

[T] Subsection 1, unnumbered paragraph 1 amended

[T] Subsection 2, NEW paragraph d